

Message Text

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S E C R E T SECTION 1 OF 2 ATHENS 10291

LIMDIS

E.O. 11652: GDS

TAGS: MARR, PFOR, GR, US

SUBJECT: US-GREEK BASE NEGOTIATIONS: US POSITION IN THIRD
PLENARY ROUND

REF: A. STATE 302055 B. STATE 302045 C. ATHENS 9983
D. ATHENS 10110

SUMMARY: IN LOOKING AHEAD TO THE OPENING OF THE THIRD ROUND
ON JAN. 26, WE DEFINE PRINCIPAL PROBLEM AREAS TO BE DISCUSSED
AS FORM OF FINAL AGREEMENT AND US PRESENCE AT HELLENIKON.
WE ALSO BELIEVE THAT ADDITIONAL CLARIFICATION OF US POSITION
WILL BE NECESSARY ON TELECOMMUNICATIONS AND COMMAND AND
CONTROL ISSUES. WE SHOULD ALSO TAKE ANOTHER LOOK AT THE
OVERALL TIMING OF NEGOTIATIONS TO SEE WHETHER AN ACCELERATED
PACE WOULD BE DESIRABLE. WE HAVE DOUBTS ABOUT ADVISABILITY
OF ADDRESSING ELEFSIS PIER AND SOUDA BAY PROBLEMS IN ROUND
III. REGARDING SOUDA, STEARNS WILL MEET WITH AVEROFF BEFORE
DEPARTING FOR WASHINGTON IN ORDER TO OBTAIN BEST POSSIBLE
READING OF GOG INTENTIONS. END SUMMARY.

1. BASED ON PROGRESS MADE IN SUBGROUPS SINCE SECOND
PLENARY ROUND, AS WELL AS RECENT DISCUSSIONS BETWEEN
CALOGERAS AND STEARNS, WE ARE IN REASONABLY GOOD POSITION
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TO DEFINE PRINCIPAL PROBLEM AREAS TO BE TACKLED IN THIRD
PLENARY ROUND OF US-GREEK BASE NEGOTIATIONS SCHEDULED TO
BEGIN JANUARY 26. AS ALWAYS IN NEGOTIATING WITH THE GREEKS
THERE IS THE POSSIBILITY THAT NEW PROBLEMS WILL BE RAISED

OR THAT SUBJECTS WHICH WE CONSIDER CLOSED WILL BE REOPENED. WE DO NOT REPEAT NOT HOWEVER EXPECT MAJOR SURPRISES IN ROUND THREE AND ARE CONTINUING TO EMPHASIZE TO THE GREEK SIDE THE NEED FOR CAREFUL ADVANCE PREPARATION OF ALL AGENDA ITEMS IF ROUND THREE DISCUSSIONS ARE TO BE MUTUALLY PROFITABLE. FOLLOWING IS A CHECKLIST OF ITEMS FOR DISCUSSION AT THE THIRD ROUND ON WHICH CLEARER US POSITIONS NEED TO BE DEVELOPED. THESE ARE ALSO THE AREAS WHICH STEARNS WILL WANT TO EXPLORE IN GREATEST DETAIL DURING HIS WASHINGTON CONSULTATION JANUARY 6 THROUGH 13.

2. UMBRELLA AGREEMENT-GREEK SIDE HAS REPEATEDLY ADVISED US THAT IN ROUND THREE THEY WOULD WELCOME FURTHER US VIEWS ON THE FINAL FORM AND ORGANIZATION OF THE NEW AGREEMENT OR AGREEMENTS WHICH WILL EVENTUALLY EMERGE FROM THE NEGOTIATING PROCESS. SINCE FROM THE GREEK STANDPOINT THE PRINCIPAL PURPOSE OF THE NEGOTIATIONS IS TO DEMONSTRATE TO GREEK PUBLIC OPINION THAT GREEK-US DEFENSE RELATIONS HAVE BEEN PLACED ON A NEW FOOTING WHICH IS MORE CONSISTENT WITH GREEK SOVEREIGNTY AND BETTER SERVES GREEK NATIONAL INTERESTS THAN THE OLD RELATIONSHIP, THE GREEK SIDE ATTACHES PARTICULAR IMPORTANCE TO THE FORM OF THE NEW ACCORDS. THIS IS THE REASON THEY FAVOR THE NEGOTIATION OF AN UMBRELLA AGREEMENT WHICH, BY ITS FORMAT, IF NOT NECESSARILY BY ITS CONTENT, WOULD IMPLY THAT A NEW ERA IN OUR RELATIONS HAS BEGUN. WE EXPECT THEM THEREFORE TO PRESS FOR NEW WAYS TO CONCEPTUALIZE OUR RELATIONSHIP EVEN IN AREAS WHERE OPERATIONAL PROCEDURES REMAIN VIRTUALLY UNCHANGED.

3. WE ARE AWARE OF THE RESERVATIONS THAT WASHINGTON AGENCIES HAVE ABOUT THE NEGOTIATION OF AN UMBRELLA AGREEMENT. WE BELIEVE HOWEVER THAT THERE ARE ADVANTAGES TO MAKING RHETORICAL CONCESSIONS IF THESE DO NOT REPEAT NOT (A) IMPAIR THE EFFICIENT OPERATION OF OUR FACILITIES IN GREECE, (B) WEAKEN THE LEGAL BASIS FOR OUR PRESENCE HERE IN WAYS WHICH COULD BE EXPLOITED TO OUR DISADVANTAGE
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BY SOME FUTURE GREEK GOVERNMENT, (C) RAISE LEGAL OR CONSTITUTIONAL PROBLEMS OF A DOMESTIC NATURE, OR (D) PUT US AT CROSS PURPOSES WITH NATO.

4. BY CAREFUL DRAFTING IT SHOULD BE POSSIBLE TO FORMULATE AN AGREEMENT OR AGREEMENTS WHICH AVOID THESE RISKS WHILE STILL SATISFYING GREEK PSYCHOLOGICAL AND POLITICAL REQUIREMENTS FOR A NEW FRAMEWORK. WE SUGGEST THEREFORE THAT A DRAFT OR DRAFTS BE PREPARED FOR DISCUSSION WITH THE GREEKS IN THE THIRD PLENARY WHICH WILL GIVE THEM A BETTER IDEA OF HOW WE VISUALIZE THE OUTCOME OF THE NEGOTIATIONS. IF POSSIBLE WE SHOULD BE IN A POSITION TO PROPOSE PREAMBULAR LANGUAGE, DRAWN PERHAPS FROM THE

GREEK DRAFT TABLED IN ROUNDTWO AND SUBSEQUENT STATEMENTS MADE BY THEODOROPOULOS IN NATO. IF, ON THE OTHER HAND WE ARE NOT REPEAT NOT WILLING TO CONSIDER A NEW UMBRELLA AGREEMENT WE WILL NEED TO EXPLAIN TO THE GREEK SIDE IN SOME DETAIL THE ALTERNATIVES WE FAVOR, BEARING IN MIND THAT WE WILL HAVE TO OVERCOME CONSIDERABLE GREEK RESISTANCE TO THE IDEA OF SIMPLY MODIFYING OR AMENDING EXISTING AGREEMENTS. IF WE CONTINUE TO BE CONCERNED LEST OUR BILATERAL NEGOTIATIONS OUTSTRIP THE PACE OF GREECE'S NATO NEGOTIATIONS, WE MUST BE ABLE TO EXPLAIN THIS CONCERN IN CLEARER AND MORE EXPLICIT TERMS THAN WE HAVE USED IN THE PAST. THE GREEKS WILL WANT TO KNOW, AT A MINIMUM, HOW FAR WE EXPECT THEIR NATO TALKS TO HAVE PROGRESSED BEFORE WE CAN BEGIN TALKING ABOUT THE PRECISE FORM AND LANGUAGE OF OUR BILATERAL ACCORDS.

5. FROM A NEGOTIATING STANDPOINT IT WOULD APPEAR ADVANTAGEOUS FOR US TO TABLE OUR OWN DRAFT OR DRAFTS AS SOON AS POSSIBLE. THIS WOULD AVOID THE NEED TO COMMENT IN DETAIL ON THE GREEK DRAFT, WHICH IS INADEQUATE EVEN AS A WORKING DOCUMENT, AND WOULD TEND TO FOCUS DISCUSSION ON OUR OWN CONCEPT OF GREECE'S CONTINUING OBLIGATIONS AND RESPONSIBILITIES. FURTHERMORE, AS LONG AS WE LEAVE THE QUESTION OF FORM OPEN WE INVITE THE RISK OF THE GREEK SIDE'S TABLING A NEW DRAFT EVEN LESS ACCEPTABLE THAN THEIR FIRST ONE.

6. US PRESENCE AT HELLENIKON-THIS IS LIKELY TO BE THE SECRET

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TOUGHEST PRACTICAL ISSUE TO BE NEGOTIATED IN ROUND III, AS IT WAS IN ROUNDS I AND II. REFTEL C, REPORTED THAT THE GREEK GOVERNMENT NOW AGREES TO A US FORCE LEVEL OF 750 AT HELLENIKON BUT WITHOUT RELOCATION OF OTHER ELEMENTS IN THE ATHENS AREA. THIS SHOWS THAT THERE IS STILL MOVEMENT IN THE GREEK POSITION. WHAT WE MUST EXPLORE PRIOR TO ROUND III IS THE POSSIBILITY OF PROPOSING TO THE GREEK SIDE SOME RESTRUCTURING OF US ACTIVITIES AT HELLENIKON WHICH LOWERS OUR PROFILE WITHOUT UNDULY COMPLICATING PROBLEMS OF ADMINISTRATION OR DEGRADING OUR OPERATIONAL CAPABILITY.

7. THERE ARE TWO WAYS IN WHICH THIS MIGHT BE DONE, AND BOTH WOULD INVOLVE RELOCATION. THE FIRST IS TO MOVE OUR RECONNAISSANCE AND GROUND PROCESSING CAPABILITY OUT OF THE ATHENS AREA EITHER TO TANAGRA OR TO SOME OTHER LOCATON WHERE THERE IS AN ADEQUATE RUNWAY AND SPACE FOR GROUND SUPPORT. A MOVE OF THIS KIND WOULD CLEARLY BE EXTREMELY EXPENSIVE AND TIME-CONSUMING, WOULD PROBABLY NECESSITATE REDUNDANCIES IN PERSONNEL AND SUPPORT SERVICES AND WOULD LEND ITSELF TO POLITICALLY INSPIRED CHARGES THAT THE US WAS ESTABLISHING A "NEW" BASE IN

GREECE. IN SHORT, SUCH A MOVE WOULD ALMOST CERTAINLY BE JUST AS UNATTRACTIVE TO THE GREEK GOVERNMENT AS IT WOULD BE TO US. INDEED, WE BELIEVE THAT GREEK WILLINGNESS TO ACCEPT A NEW US FORCE LEVEL OF 750 PERSONNEL AT HELLENIKON IS LARGELY MOTIVATED BY THE DESIRE TO AVOID CONSPICUOUS RELOCATION OF THIS KIND. WE HAVE REPEATEDLY REMINDED THE GREEKS OF THEIR ASSURANCES THAT THEY WILL NOT ASK US TO MOVE ESSENTIAL OPERATIONS OUT OF GREECE AND, JUST AS FREQUENTLY, HAVE EXPRESSED THE VIEW THAT IT WAS IN THEIR INTEREST AS WELL AS OURS FOR US TO REMAIN AT HELLENIKON. WE BELIEVE THAT THEIR CONTINUING DESIRE TO AVOID CONSPICUOUS RELOCATION MAY CAUSE THEM TO RELAX EVEN FURTHER THEIR INSISTENCE ON REDUCTIONS AT HELLENIKON. CERTAINLY THEIR PROPOSED CEILING OF 750 US PERSONNEL IS APPROACHING OUR FLOOR OF 850. IF WE CAN OBTAIN GREEK AGREEMENT TO A US PERSONNEL LEVEL BETWEEN 750 AND 850 AND COMBINE THIS WITH RELOCATION OF SUPPORT FUNCTIONS IN THE ATHENS AREA, WE MAY YET BE ABLE TO
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BRIDGE THE GAP IN ROUND III.

8. THIS LEADS DIRECTLY TO THE SECOND ALTERNATIVE, NAMELY LIMITED RELOCATION OF THOSE ACTIVITIES PRESENTLY CONDUCTED AT HELLENIKON WHICH ARE RELATED MORE TO SUPPORT OF DEPENDENTS THAN TO OPERATIONS. WE HAVE IN MIND SUCH ACTIVITIES AS THE SCHOOL, PX AND COMMISSARY AND RECREATIONAL FACILITIES. WHILE MOVING THESE ACTIVITIES WOULD NOT REPEAT NOT SIGNIFICANTLY REDUCE THE NUMBER OF AMERICANS AT HELLENIKON, IT WOULD DRASTICALLY REDUCE THE VISIBILITY OF THE AMERICAN PRESENCE THERE AND WOULD MEAN THAT AMERICAN PERSONNEL REMAINING AT HELLENIKON WERE PERFORMING FUNCTIONS WHICH THE GREEK GOVERNMENT COULD CONVINCINGLY ARGUE CONTRIBUTED TO GREEK DEFENSE NEEDS.

9. QUITE ASIDE FROM THESE CONSIDERATIONS, THERE ARE OTHER REASONS FOR BELIEVING THAT RELOCATION OF SUPPORT FACILITIES FROM HELLENIKON WOULD BE DESIRABLE. THE GREEK GOVERNMENT HAS MADE WHAT APPEARS TO BE A FIRM DECISION TO OPEN A NEW AIRPORT IN THE ATHENS AREA. WHEN THIS WILL ACTUALLY TAKE PLACE AND WHERE THE NEW AIRPORT WILL BE IS STILL UNCLEAR, BUT THE UNSUITABILITY OF THE PRESENT LOCATION AND THE OVERLOADING OF COMMERCIAL FACILITIES THERE IS EVIDENT. WHETHER IN FIVE YEARS OR IN TEN YEARS A NEW AIRPORT IS INEVITABLE TO RELIEVE THE OVERTAXED FACILITIES AT HELLENIKON. AT THAT TIME OR BEFORE THAT TIME THE GREEK GOVERNMENT EXPECTS TO MOVE THE GREEK AIR FORCE UNIT FROM HELLENIKON TO OTHER LOCATIONS. WE ARE THEREFORE FACED WITH THE PROBABLE NECESSITY OF

MOVING PART OR ALL OF OUR HELLENIKON FACILITIES AT
SOME TIME IN THE NOT TOO DISTANT FUTURE.

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LIMDIS

10. BY RELOCATING THE AMERICAN SCHOOL, COMMISSARY
AND PX AND RECREATIONAL FACILITIES IN THE CONTEXT
OF THE BASE NEGOTIATIONS WE MAY BE ABLE TO SECURE
THEM FOR THE LONG HAUL IN AN AREA OR AREAS MORE
ACCESSIBLE TO US PERSONNEL IN THE PSYCHICO, KIFISSIA,
EKALI AND NEA MAKRI SUBURBS THAN HELLENIKON HAS BECOME.

11. IT APPEARS LIKELY THAT THE NEW ATHENS AIRPORT
WILL BE EAST OF ATHENS IN THE SPATA AREA. LOOKING
AHEAD OVER THE COURSE OF THE NEXT DECADE IT IS LIKELY
THAT US PERSONNEL WILL BE DRAWN AWAY FROM THE FLYFADE
AREA TOWARD THE RESIDENTIAL SUBURBS MENTIONED ABOVE
TO THE EAST OF ATHENS. THIS PROCESS HAS ALREADY
BEGUN. IN THESE CIRCUMSTANCES WE CAN SEE REAL ADVANTAGES
TO DECIDING NOW RATHER THAN LATER TO MOVE SUPPORT
FACILITIES TO A LOCATION OR LOCATIONS EAST OF ATHENS,
PERHAPS ALONG THE ROAD LINKING VOULIAGMENI ON THE
COAST WITH KOROPION AND SPATA. WE WILL NEED TO
INVESTIGATE THE FEASIBILITY OF RELOCATION TO THIS
AREA ON THE GROUND AS WELL AS THE
AVAILABILITY OF SUITABLE LAND. AT THIS STAGE
HOWEVER WE REQUEST WASHINGTON AGENCIES CONCERNED WITH
THE PROBLEM TO GIVE SERIOUS CONSIDERATION TO THE
CONCEPT. IF WE CAN ENTER ROUND III WITH A FIRM
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OFFER TO RELOCATE SUPPORT FACILITIES AWAY FROM

HELLENIKON BUT WITHIN THE ATHENS AREA, WE BELIEVE THAT THERE IS A FAIR CHANCE OF OBTAINING GREEK CONCURRENCE TO A PACKAGE DEAL WHICH WOULD ENABLE US TO KEEP ESSENTIAL OPERATIONS AT HELLENIKON AND ESSENTIAL SUPPORT ACTIVITIES IN THE ATHENS AREA.

12. SOUDA BAY-REFTEL A RAISES AGAIN THE POSSIBILITY OF ADDRESSING THE SUBJECT OF US OPERATIONS AT SOUDA AIR BASE IN THE CONTEXT OF THE THIRD PLENARY. AS WE HAVE NOTED BEFORE, ANYTHING APPROACHING A RETURN TO NORMAL US USE OF SOUDA AB WILL REQUIRE A MINISTERIAL-LEVEL DECISION TO THIS EFFECT BY THE GREEK GOVERNMENT. RESTRICTIONS ON OUR USE OF SOUDA WERE IMPOSED FOR ESSENTIALLY POLITICAL REASONS IN THE SUMMER OF 1974 AND, WHILE THEY HAVE BEEN MODIFIED SUBSEQUENTLY IN SMALL WAYS, THESE RESTRICTIONS STILL EXIST AND CANNOT BE REMOVED BY GREEK NEGOTIATORS UNTIL THEY HAVE RECEIVED A GREEN LIGHT FROM THE MINISTERS OF FOREIGN AFFAIRS AND DEFENSE. WE BELIEVE THAT ULTIMATE RESPONSIBILITY RESTS WITH THE PRIME MINISTER AND THAT HE WILL RELAX RESTRICTIONS ONLY UNDER PRESSURE FROM DEFENSE MINISTER AVEROFF AND IF HE BELIEVES THAT HE CAN HANDLE THE POLITICAL FLACK THAT SUCH RELAXATION WILL INEVITABLY PRODUCE.

13. WE CONCUR THEREFORE THAT BEFORE DECIDING WHETHER OR HOW TO ADDRESS THE QUESTION OF SOUDA IN THE THIRD PLENARY WE SHOULD SEEK CLARIFICATION FROM AVEROFF OF THE GREEK GOVERNMENT'S POSITION, REMINDING HIM OF OUR STRONG INTEREST IN RESUMING USE OF SOUDA AB FOR THE PURPOSES IT WAS INTENDED TO SERVE, AND POINTING OUT TO HIM THAT PRESENT RESTRICTIONS DAMAGE GREEK AS WELL AS AMERICAN DEFENSE INTERESTS BY WEAKENING SIXTH FLEET SUPPORT CAPABILITY IN THE EASTERN MEDITERRANEAN. STEARNS AND GENERAL BURKE HAVE MADE THESE POINTS TO AVEROFF INFORMALLY IN THE PAST WEEK. AVEROFF IS AWARE THAT STEARNS WILL BE RETURNING TO WASHINGTON JANUARY 6 AND HAS AGREED TO SEE HIM ON JANUARY 5 TO GO INTO THE SUBJECT IN GREATER DETAIL.

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14. WE HOPE THEREFORE THAT WHEN STEARNS ARRIVES IN WASHINGTON HE WILL BE IN A POSITION TO CAST FURTHER LIGHT ON THE GREEK GOVERNMENT'S ATTITUDE TOWARD US OPERATIONS AT SOUDA AND OUR PROSPECTS FOR OBTAINING PROGRESSIVE RELAXATION OF CURRENT OPERATING RESTRICTIONS. THIS SHOULD ENABLE US TO ASSESS MORE REALISTICALLY THE IMPLICATIONS OF DISCUSSING SOUDA IN THE THIRD ROUND. WHETHER IN THIS CONTEXT OR OUTSIDE OF IT, WE CONTINUE TO BELIEVE THAT WE WILL BE MORE SUCCESSFUL, AT LEAST INITIALLY, IN SEEKING RESUMPTION OF THE LEVEL AND

KINDS OF US ACTIVITY AT SOUDA FORESEEN IN THE AGREEMENT OF SEPTEMBER 1959 THAN IN PUSHING IMMEDIATELY FOR A RETURN TO THE VIRTUALLY UNRESTRICTED USE WE ENJOYED UNTIL THE SUMMER OF 1974.

15. TELECOMMUNICATIONS-AS WE HAVE INDICATED (ATHENS 9604 AND 9983) THE PRESENTATION BY THE GREEK SIDE OF FURTHER HELLENIC MILITARY REQUIREMENTS FOR DCS USAGE LOOKS MORE LIKE A FISHING EXPEDITION THAN A DEMAND BASED ON CURRENT AND PRESSING GREEK REQUIREMENTS. UNLESS THE DCS SYSTEM IS ABSOLUTELY SATURATED BY HIGH-PRIORITY US TRAFFIC (WHICH WE UNDERSTAND IS NOT REPEAT NOT THE CASE) OUR LONG-TERM INTERESTS PROBABLY WOULD BE SERVED BY EXTENDING GREEK USAGE TO A GREATER PROPORTION OF THE SYSTEM. EXPANDED GREEK USAGE WOULD ADD A GREEK PATINA TO A SYSTEM THAT HAS AGED LONG ENOUGH IN GREECE TO JUSTIFY IT. THIS AT LEAST IS THE GREEK VIEW. FROM OUR OWN STANDPOINT INVOLVING THE GREEKS IN UTILIZATION OF DCS WOULD GIVE THEM BOTH A STAKE IN DEFENDING THE EXISTENCE OF THE SYSTEM AND A POLITICAL RATIONALE FOR DOING SO. CONSEQUENTLY, OUR OBJECTIVE OUGHT TO BE TO MAXIMIZE GREEK INVOLVEMENT WHILE MINIMIZING ITS PRACTICAL IMPACT. FOR THESE REASONS, IF FEASIBLE, WE WOULD FAVOR OFFERING THE GREEKS WHATEVER NON-US UTILIZED DCS CAPACITY IS AVAILABLE, PRESUMABLY WITH THE PROVISIO THAT IF AND WHEN WE NEEDED A SURGE CAPABILITY US REQUIREMENTS WOULD OVERRIDE.

16. STATUS OF FORCES AGREEMENT-THE TWO REMAINING UNRESOLVED ISSUES, THE APPLICABILITY OF THE CIRCULATION
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TAX TO POV'S OF US PERSONNEL AND THE RATE OF EXCHANGE, ARE MATTERS ON WHICH WE DO NOT RECOMMEND ANY FURTHER MOVE TOWARD THE GREEK POSITION. OUR WILLINGNESS TO SUBJECT POV'S TO A "ROAD TAX" AS WELL AS TO REGISTRATION AND LICENSING FEES, BOTH CATEGORIES IN KEEPING WITH PRACTICE ELSEWHERE WITHIN NATO, IS A SOUND POSITION, AND WE TRUST THAT FINAL RESOLUTION CAN BE ACHIEVED ALONG THESE LINES. WE ALSO DO NOT BELIEVE THAT WE WOULD BE JUSTIFIED IN PAYING THE BANK OF GREECE WHAT WOULD AMOUNT TO A PROFIT OF \$150,000-\$200,000 PER ANNUM BY THE USE OF "BUYING" AND "SELLING" RATES RATHER THAN THE "MEDIAN" RATE SANCTIONED BY THE EXISTING AGREEMENT AND MORE THAN 20 YEARS OF PRACTICE. WE SHOULD THEREFORE HOLD FIRM ON THESE TWO ISSUES IN ROUND III.

17. COMMAND AND CONTROL-IT IS OUR UNDERSTANDING THAT WASHINGTON PREPARATION FOR DISCUSSION OF THIS ISSUE ESSENTIALLY WAS ACCOMPLISHED IN PREPARATION FOR THE TURKISH

NEGOTIATIONS. WHILE WE CAN APPRECIATE THAT IT WOULD BE DISADVANTAGEOUS FOR THE USG TO MARCH IN LOCKSTEP ON EACH ASPECT OF EVERY ISSUE IN THE TURKISH AND GREEK NEGOTIATIONS, WE WOULD WISH TO POINT OUT THAT ANY GREAT DISPARITY BETWEEN THE GREEK AND TURKISH AGREEMENTS WHICH MIGHT BECOME PUBLIC KNOWLEDGE IS LIKELY TO BECOME A MATTER OF CONTENTION QUITE SOON IN GREECE. THUS, WHILE WE OUGHT NOT TO OFFER CONCESSIONS WHERE NONE ARE SOUGHT, WE SHOULD BE PREPARED TO BE REASONABLY ACCOMMODATING WITHIN THE COMMON GUIDELINES THAT EVOLVE FOR OUR PRESENCE IN THE TWO COUNTRIES.

18. ELEFSIS-POSSIBLE FURTHER USE OF THE ELEFSIS PIER IS A MATTER THE AMBASSADOR HAS DISCUSSED RECENTLY WITH DEFENSE MINISTER AVEROFF. OUR TACTICS IN THIS DISCUSSION AND IN OTHERS WITH GREEK AUTHORITIES HAVE BEEN TO KEEP THE DOOR AJAR IN HOPES THAT CONTINUED IMPROVEMENT IN US-GREEK RELATIONS WILL ENABLE US TO RESUME USE OF ELEFSIS FOR COLD IRON REPAIRS IN THE FUTURE. AS THE DEPARTMENT IS AWARE, THE PIER LEASE HAS BEEN EXTENDED FOR ANOTHER YEAR THROUGH THE END OF CY-1976.

THIS IS A GAMBLE BUT, GIVEN THE ALTERNATIVES AND THE HIGH PENALTY PAYMENTS INVOLVED
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IN BREADING THE EXISTING LEASE, WE BELIEVE IT WAS A GAMBLE WORTH TAKING. OUR PRESENT "UNDERSTANDING" WITH AVEROFF IS THAT WE WILL NOT REPEAT NOT REQUEST SHIP VISITS TO ELEFSIS IN THE FIRST QUARTER OF 1976 BUT WILL TAKE A NEW READING OF THE POSSIBILITIES WITH GOG SOON THEREAFTER. IN LIGHT OF THESE CONSIDERATIONS WE DO NOT REPEAT NOT BELIEVE IT WOULD BE ADVISABLE TO ADDRESS THE ISSUE OF ELEFSIS DURING ROUND III.

19. TIMING- SINCE THE FIRST PLENARY ROUND IN FEBRUARY WE HAVE BEEN OPERATING ON THE ASSUMPTION THAT TIME WAS IN OUR FAVOR IN THE US-GREEK BASE NEGOTIATIONS AND THAT THERE WAS LITTLE TO BE GAINED BY PUSHING FOR AN EARLY CONCLUSION BEFORE OVERALL GREEK-US RELATIONS HAD IMPROVED. WE BELIEVE THAT THIS APPROACH WAS CORRECT AND THAT GREEK POSITIONS HAVE SOFTENED IN THE PAST TEN MONTHS.

20. WE SHOULD HOWEVER TAKE ANLTHET LOOK AT THE QUESTION OF TIMING BEFORE THE THIRD PLENARY BEGINS. WE MAY BE REACHING A POINT WHERE THE PACE OF THE NEGOTIATIONS SHOULD BE ACCELERATED AND THE GREEK SIDE SHOULD BE PINNED DOWN TO SPECIFIC POSITIONS ON VARIOUS PROBLEMS. BROADLY SPEAKING, THE POROUSNESS OF GREEK OBJECTIVES HAS, UP TO THE PRESENT, BEEN HELPFUL TO US. THE DANGER IS THAT BY RESERVING THE RIGHT TO INTRODUCE NEW PROBLEMS INTO THE NEGOTIATIONS OR TO REOPEN OLD ONES, THE GREEK SIDE WILL REMAIN UN-

COMMITTED TO SPECIFIC SOLUTIONS, THEREBY CRIPPLING OUR OWN ABILITY TO PLAN AHEAD AND MAKING THE NEGOTIATIONS MORE VULNERABLE TO EXTERNAL DEVELOPMENTS. WE HAVE PARTICULARLY IN MIND THE POSSIBLE EFFECT OF US-TURKISH BASE NEGOTIATIONS WHICH THE GREEKS WILL BE FOLLOWING ATTENTIVELY, BUT OTHER FACTORS OVER WHICH WE HAVE AT BEST IMPERFECT CONTROL, SUCH AS CYPRUS, COULD ALSO BE TROUBLESOME.

21. CERTAINLY AT SOME POINT, WHEN WE JUDGE THAT WE HAVE THE OUTLINES OF AN ACCEPTABLE SET OF AGREEMENTS WITH THE GREEK SIDE, WE WILL WANT TO TIE THE GREEKS TO THEM IN TANGIBLE WAYS. THAT POINT MAY BE APPROACHING
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FASTER THAN WE REALIZE.

22. IN ADDITION TO DISCUSSING THE FOREGOING TOPICS, WE BELIEVE THAT IT WOULD BE USEFUL FOR STEARNS TO EXCHANGE VIEWS ON THE ATO FACILITY AT TATOI, PERHAPS WITH BILL NELSON AND BILL WELLS WHILE HE IS IN WASHINGTON.
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